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NOTICE OF SOMEDENTIADOTA RIGHTS: IFPYOU3ARES A WATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

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OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 25th day of 2009, between Stave Scale of Control of

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is hereby acknowledged, and of the coverants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulptur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, letephona lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant, State of Texas, and is described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

- 2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of Three (3) years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- upon said land with no cessation for more than ninety (90) consecutive days.

 3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal 1/4 part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such 1/4 part of such oil at the wells as of the day it is run to the pipe line of storage fanks, Lessor's interest, in either case, to bear 0 of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, or 1/4 of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land. If a distort gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed the royalty shall be one tolliar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times themselfer, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of produced on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as it no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish lacilities other than well facilities and ordinary lease facilities of low lines, separator, and lease fank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before t
- netrot. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, sewerally as to acreage owned by each.

 4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land, lease, or leases, as to any or oil minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 840 surface acres plus 10% acreage tolerance, it imited to one or more of the following; (1) gas, other than cashinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir. (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. It larger units than any of those herein permitted, either at the time established, or after angement, are permitted or required under any governmental rule or order, for the drilling, or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or afready drilled, any such unit may be established or enlarged to conform to the size permitted or required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and fining it for record in the public office in which this lease is recorded. Such unit shall become effective as of the date involved in the unit. Or on other land unitized therewith. A unit established either on said land, or on the portion of said and included in the unit. Or on other land unitized therewith. A unit established either on said land, or on the portion of said and included in the unit. Or on other land unitized interests in lands within the unit which are not effectively pooled or unitized. Any operations conducted on any part of such unitized land shall be cons

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: preparing the drillsite location or access road, drilling, testing, completing, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other minerals, whether or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 500 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be essigned from time to time in whole or in part and as to any mineral or herizon. All of the coveriants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howscever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howscever effected, shall be binding upon the then record owner of this lease until sixty (80) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals of duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to astablish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of saidy (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations. (but in no event less that forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalities and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty berein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in torce, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Lessor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations. Therefore, since drilling, reworking or other operations, are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location of of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR(S) Steve Salazar	
STATE OF TEXAS) ss. COUNTY OF TARRANT) This instrument was acknowledged before me on the	25 hay or October 2008 by Steve Salazar
5055 W. 3PUNNER Notery Public Soft Texas Notery Public Soft Expres July 15, 2011	Signature: Notary Public Printed: Ross Brunger

EXHIBIT "A"

Attached hereto and made a part here STEVE 14/42/67, 6 SINSE	of that certain Oil, Gas and Mineral t	Lease dated October . Energy Inc.	25 2005 by and between

The provisions of this Exhibit "A" suspend and control with respect to all inconsistent provisions in the oil and gas mineral lease attached hereto. Hereto all terms, clauses, amendments shall be considered "conditions" and not "covenants". Lessee shall also pay to the Lessor it's proportionate share of any street, alleyway, highway, railroad, canal, river, or body of water adjacent to or contained within the subdivision, or, if the property is not included in a subdivision, any such acreage immediately adjacent to Lessor's property on the bonuses and all royalties.

LEGAL DESCRIPTION

Being Lot 84, in Block 1, of Fossil Lake, Section Three, an Addition to The City of Arlington, Tarrant County, Texas, according to the Plat thereof recorded in Cabinet A, Slide 8602, of the Plat Records of Tarrant County, Texas.

This lease shall include all streets, alleyways, easements, gores and strips of land adjacent and contiguous thereto. If any additional acreage is included in this Lease pursuant to the foregoing sentence, then bonus and royalty shall be calculated and paid as to said additional acreage on the same terms as it is calculated and paid for the land specifically described above.

NO SURFACE DRILLING USE CLAUSE

It is hereby agreed and understood that there shall be no drilling activities on the surface of the leased premises without the prior written permission from the surface owner of the applicable portion of the leased premises. Notwithstanding the foregoing, this waiver of surface shall not be construed as a waiver of the rights of Lessee to utilize the subsurface of the leased premises under this lease, and Lessee shall have the right to exploit, explore for, develop and produce oil, gas and other covered minerals under this lease from wells from surface locations off the leased premises, including, but not limited to, directional or horizontal drilling activity which comes under the surface of the leased premises. This drilling surface waiver does not apply to any surface rights associated with instruments other than this lease.